

Key Issues and Strategies

Division of Health Care Financing
Administration and Funding - March 15, 2005



Key Issues

1. Declining federal revenue
2. Medicare coverage gap: 50% of Medicaid costs are for dual eligibles
3. Costs of long-term care in nursing homes and the community
4. Costs of primary and acute care
5. Integration of care management for long-term and primary and acute care
6. Integration of Medicaid and Medicaid funding and case management



Key Issues

7. Commercial insurance markets don't serve major segments of the population - unique client mix
8. Falling rates of commercial insurance, especially for low income families (largely driven by costs of health care)
9. Provider payment levels and provider participation
10. County funding contribution
11. Program integrity
12. Federal regulations and statutes
13. Administrative complexity



Strategies

1. Identify every legitimate source of federal funding
2. Protect the federal funding of Medicaid
3. Substantive reform of Medicaid and Medicare at the federal level - especially for long-term care
4. Managed care and case coordination across the entire spectrum
5. Reform long-term care
6. Protect the Medicaid safety net



Strategies

7. Limit provider payment levels
8. Control prescription drug costs
9. Maximize commercial insurance
10. Outsourcing and contracting of administrative functions
11. Automation and information technology
12. Program integrity and quality control
13. Efficient and effective administration



Future Briefings

Long-Term Care Reform

Governor's Budget

